TRANSLATION
This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Corporate Governance Report

Last Update: October 3 2024
Kyushu Electric Power Co., Inc.
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Tel: +81-92-761-3031
Securities Code: 9508
https://www.kyuden.co.jp/english_ir_index.html

The corporate governance of Kyushu Electric Power Co., Inc. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Company aims to generate sustainable value for all stakeholders in keeping with the Kyuden Group's Mission by engaging in operations that are socially meaningful from a long-term perspective. The Company strives to develop and strengthen the corporate governance system, as its top management priority, to ensure that the Company conducts its business activities appropriately.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company complies with every principle (including details for the Prime Market) based on Japan's Corporate Governance Code revised in June 2021.

[Disclosure Based on the Principles of the Corporate Governance Code]

[Principle 1.4 Cross-Shareholdings]

o Policy regarding cross-shareholdings

With respect to individual cross-shareholdings (holdings of investment shares held for purposes other than that of pure investment [holdings of listed shares as deemed shareholdings]), the Company has its Board of Directors confirm the significance of owning such holdings on an annual basis. This involves comprehensively taking into account the notion of how such holdings are relevant particularly in terms of ensuring stable procurement of funds, materials and equipment, contributing to regional development and other elements of business strategy, and achieving symbiosis with communities. It also involves assessing profitability, future prospects and other such considerations upon having taken into account cost of capital and other factors. As a result, the Company will sell those cross-shareholdings that are deemed to have insufficient significance, and will also promote the sale of those cross-shareholdings that are deemed to have significance to the Company to the extent possible.

o Standards on exercise of voting rights of shares held as cross-shareholdings

When exercising voting rights, the Company decides whether to vote for or against individual proposals based on comprehensive factors from the perspective of increasing medium- to long-term value of the Company and enterprises whose shares the Company owns. When it comes to proposals that threaten to erode shareholder value in particular, the Company appropriately exercises its voting rights upon having gathered sufficient information from the enterprise whose shares the Company owns and upon having shared details on managerial risks and other such matters.
(Reference)
As of the end of fiscal 2023, the Company maintains 128 equity holdings of unlisted shares valued at ¥64,530 million, among its holdings of investment shares held for purposes other than that of pure investment as stipulated by Cabinet Office Order on Disclosure of Corporate Affairs and other such matters. (With respect to shares other than unlisted shares, 23 equity holdings overall valued at ¥51,949 million have been contributed to retirement benefit trust, and accordingly constitute deemed shareholdings. On April 1, 2020, the Company concluded an agreement to modify the retirement benefit trust granting Kyushu Electric Power Transmission and Distribution Co., Inc. joint authority. Accordingly, the Company comprehensively administers and manages the retirement benefit trust, including holdings of Kyushu Electric Power Transmission and Distribution Co., Inc.)
The unlisted shareholdings include ¥52,957 million in shares of Japan Nuclear Fuel Limited, held for the purpose of contributing to the Company's stable and ongoing business operations. Japan Nuclear Fuel Limited plays an important role in Japan's nuclear fuel cycle particularly given that its reprocessing of spent fuel discharged by nuclear power stations is a necessary aspect of ensuring stable operations and energy consistency with respect to nuclear power stations. As such, the Company invests in Japan Nuclear Fuel Limited for the purpose of helping to ensure stability of its business operations.

[Principle 1.7 Related Party Transactions]
When a Director of the Company who concurrently serves in a position such as Representative Director of a subsidiary of the Company or other such entity (excluding a wholly owned subsidiary) acts as a counterparty to a transaction with the Company, details of potentially competing transactions and transactions entailing conflict of interest involving Directors are subject to prior approval of the Board of Directors, and results of such transactions are to be reported to the Board of Directors. In addition, the aforementioned procedures are applied to transactions with major shareholders, etc. who maintain substantial holdings amounting to at least one-tenth of the Company's total voting rights.

[Supplementary Principle 2.4.1 Ensuring Diversity of Human Resources]

- Policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation

With the business environment for the Kyuden Group radically changing, the Company is implementing a human resources strategy designed to create value for the future by fostering an organizational culture that encourages people and teams to continue to grow. The aim is to accelerate efforts to enhance human capital and leverage diverse human resources to drive value creation. Specific initiatives are described in the Annual Securities Report for the Fiscal Year Ended March 31, 2024.

(Annual Securities Report for the Fiscal Year Ended March 31, 2024, Part 1. Overview of the Company, 2. Business Overview,
2. Sustainability-related Policy and Initiatives, (3) Human Capital) * In Japanese only
https://www.kyuden.co.jp/ir_library_yuho.html

- Ensuring diversity in the promotion to core human resources

When promoting employees to managerial positions, the Company appoints diverse human resources from among those who have managerial capabilities, regardless of gender, nationality, hiring classification, etc.
In particular, in an effort to ensure diversity in the promotion to core human resources, the Company implements initiatives with quantitative targets set for the promotion of women to management positions.

[Women]

The Company has formulated its third-term action plan under the Act on Promotion of Women's Participation and Advancement in the Workplace. In line with the plan, the Company is working to further empower women with the goal of at least doubling both the proportion of management positions held by women and the proportion of section managers and higher positions held by women by the end of fiscal 2028, compared with the levels in April 2019 under the second-term action plan. As of the end of fiscal 2023, 3.0% of the management positions and 1.5% of the section managers and higher positions were held by women, respectively.

[Foreign nationals]

As an initiative related to the recruitment of foreign nationals, the Company is actively recruiting international exchange students (fiscal 2015 - fiscal 2023 results: 13 hires from five countries). However, the Company has yet to appoint any of them to managerial positions because it has only been a few years since hiring them as new graduates. Although the Company has not set quantitative targets for the promotion of foreign nationals to managerial positions, they will be promoted according to their capabilities based on the professional grade qualification system, in the same manner as all other employees regardless of nationality.

[Mid-career hires]

Experienced in other companies and highly specialized personnel etc account for about 10% of hires every year. Since the beginning of the experienced personnel hiring system in 2008, the Company has hired 296 people and 86 have been promoted to managerial positions. Although the Company has not set quantitative targets for the promotion of mid-career hires to managerial positions, they are promoted according to their capabilities based on the professional grade qualification system, regardless of being new graduate hires or experienced personnel hires.

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

Accounting Department that handles functions of finance takes charge of managing corporate pension funds, and regularly reports matters such as operational status in that regard to the Board of Directors.
In terms of personnel affairs, the Company systematically assigns professionals equipped with practical financial knowledge, including those with experience in pension management or financial affairs.
In terms of management, the Company rigorously strives to manage corporate pension funds in a manner that is mindful of its fiduciary responsibilities and conflicts of interest as stipulated under basic policy for managing pension assets pursuant to laws and regulations relevant to Defined-Benefit Corporate Pension Act, etc. The Company strives to fulfill its functions serving as asset owner by checking on developments with respect to asset managers of corporate pension funds exercising voting rights and regularly monitoring such asset managers.

[Principle 3.1 Full Disclosure]

i) Company objectives (e.g., corporate philosophy), management strategies, and management plans

In April 2007, the Company drew up Kyushu Electric Power's Mission "Enlighten Our Future," which serves as its brand message.
In January 2018, the name was changed to Kyuden Group's Mission in order to embrace the Company's desire to serve its stakeholders with the entire Kyuden Group more integrated.
Further details are disclosed on the Company's website.
(Kyuden Group's Mission)
https://www.kyuden.co.jp/english_company_mission_index.html

In addition, "Kyuden Group Management Vision 2030," (which was formulated in June 2019), "Kyuden Group Carbon Neutral Vision 2050," (which was formulated in April 2021), and "Kyuden Group Action Plan to Achieve Carbon Neutrality"(which was formulated in November 2021) are also disclosed on the Company's website.
(Kyuden Group Management Vision 2030)
https://www.kyuden.co.jp/var/rev0/0335/0650/uczthmhf.pdf
(Kyuden Group Carbon Neutral Vision 2050)

https://www.kyuden.co.jp/var/rev0/0335/0652/f9w1bb54.pdf

（Kyuden Group Action Plan to Achieve Carbon Neutrality）

https://www.kyuden.co.jp/var/rev0/0335/0653/84uo07cx.pdf

ii) Basic views and policies on corporate governance based on each of the principles of the Corporate Governance Code

For the Company's basic views on corporate governance, please refer to "1. Basic Views, I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information" of this report.

iii) Policies and procedures implemented by the Board of Directors in determining the remuneration of senior management and Directors

For the policies and procedures implemented by the Company's Board of Directors in determining the remuneration of senior management and Directors, please refer to "[Director Remuneration], 1. Organizational Composition and Operation, II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" of this report.

iv) Policies and procedures implemented by the Board of Directors in the election/dismissal of senior management and the nomination of candidates for Director

[Policies and procedures for selecting candidates for Director, etc.]

o Policies

The Personnel Advisory Committee deliberates on election and dismissal of candidates for Director and others to ensure independence, transparency, and objectivity.

The Board of Directors as a whole shall ensure diversity and appropriate size in terms of gender, internationality, professional experience, and age. Candidates for Inside Director. are selected by comprehensively taking into account their personal character, insight, ethics, career background (extensive practical experience, knowledge, etc.), and capabilities (management capabilities that will contribute to achieving the sustainable growth of the Group and maximizing its corporate value over the medium to long term).

Meanwhile, candidates for Outside Director, comprising at least one-third of the overall Board of Directors, are selected from those who meet the decision criteria for the independence and have abundant experience and insight in corporate management and fields of specialization.

o Procedures

The Board of Directors decides on candidates for Director (including appointment of Senior Directors and Representative Directors) as well as Senior Executive Officers, subsequent to deliberations having been undertaken by the Personnel Advisory Committee chaired by an Outside Director and the majority of whose members are Outside Directors, assigned thereto for the purpose of heightening independency, transparency and objectivity. The Audit and Supervisory Committee is to furnish prior consent with respect to candidates for Directors who are Audit and Supervisory Committee Members.

In addition, the Audit and Supervisory Committee Member takes part in meetings of the Personnel Advisory Committee as observer and confirm that deliberations of the Committee are carried out to ensure that the function of supervising the execution of duties of Directors is effectively executed.

[Policies and procedures for discharge and dismissal of Directors, etc.]

The Board of Directors decides matters with respect to discharge of Senior Directors and Representative Directors and matters with respect to dismissal of Senior Executive Officers, subsequent to deliberations having been undertaken by the Personnel Advisory Committee should circumstances arise that call eligibility into question.

v) Explanation with respect to the individual elections/dismissals of senior management and the nomination of candidates for Director by the Board of Directors based on iv) above

The reasons for the nomination of each candidate for Director shall be disclosed individually in the Reference Documents for the General Meeting of Shareholders.

(Notice of Convocation of The 100th Ordinary General Meeting of Shareholders) * In Japanese only

https://www.kyuden.co.jp/library/pdf/ir/stock/kabunushisoukai-tuuti-100.pdf

If the Board of Directors makes decisions with respect to discharge of Senior Directors and Representative Directors or dismissal of the President & Chief Executive Officer or other Executive Officers concurrently serving as Director, the reasons for each discharge and dismissal are to be publicly disclosed.

[Supplementary Principle 3.1.3 Initiatives on Sustainability]

o Promoting sustainability

In July 2021, the Group established the Sustainability Promotion Committee (Chairperson: President) under the supervision of the Board of Directors, with a view to strategically and swiftly tackling various issues related to the environment, society, and governance (ESG), including carbon neutrality. Formulating strategies and policies related to sustainability and monitoring the status of internal initiatives, the Committee works to further advance sustainability-oriented management, in which the Group simultaneously creates social value and economic value through its business.

In the "Kyuden Group Management Vision 2030," which was formulated and announced in June 2019, the Company has established three strategies for achieving its vision. Strategies I, II, and III correspond with the environment (E), society (S), and governance (G), respectively, and the Company promotes sustainability initiatives including ESG.

(Kyuden Group Management Vision 2030)

https://www.kyuden.co.jp/var/rev0/0335/0650/uczthmhf.pdf

Moreover, as a responsible energy business operator, the Company formulated and announced the "Kyuden Group Carbon Neutral Vision 2050" in April 2021 and the "Kyuden Group Action Plan to Achieve Carbon Neutrality" in November 2021 to drive realization of a decarbonized society. The Company is implementing initiatives to be carbon negative as early as possible before 2050, effectively reducing greenhouse gas emissions to less than zero, when accounting for the entire society associated with the Group's business activities.

(Kyuden Group Carbon Neutral Vision 2050)

https://www.kyuden.co.jp/var/rev0/0335/0652/f9w1bb54.pdf

(Kyuden Group Action Plan to Achieve Carbon Neutrality)
https://www.kyuden.co.jp/var/rev0/0335/0653/84uo07cx.pdf

In April 2022, the Company identified its materiality, or key managerial issues for achieving this vision and making society and the Group sustainable. With the entire Group focusing on efforts to solve these material issues, it will strive to create a sustainable society and achieve medium- to long-term growth of the Kyuden Group at the same time.

（Materiality）

https://www.kyuden.co.jp/english_company_esg_materiality.html

The Group uses Integrated Reports and other materials as tools to communicate details of these sustainability efforts to its stakeholders.

(Kyuden Group Integrated Report)

https://www.kyuden.co.jp/english_ir_library_annual_index.html

o Investing in human capital and intellectual property

Toward achieving the "Kyuden Group Management Vision 2030" and financial targets for fiscal 2025, specific action plans, including investments, etc. in human capital and intellectual property, have been formulated and are disclosed in the Integrated Report.

(Kyuden Group Integrated Report)

https://www.kyuden.co.jp/english_ir_library_annual_index.html

Regarding investment in human capital, with a view to fulfilling strategies, increasing productivity, and enhancing engagement, the Company is investing in individual employees and improvements in the working environment, as well as studies for planning and implementing relevant strategies, and the creation of an environment for such activities. The Company seeks to sustainably enhance its corporate value through the

pursuit of human capital management, in which the Company will implement a human resources strategy aligned with its management strategy and reinvest the results of the successful implementation of such a strategy into human resources.

Regarding investment in intellectual property, the Company has promoted technological development to realize the "Kyuden Group Management Vision 2030" and holds intellectual property encompassing 169 domestic and 65 overseas patents, 116 domestic and 3 overseas trademarks, and 4 domestic industrial design rights.

In the area of technological development, the Company focuses on technologies addressing issues in the fields of "Leading the Way Toward a Decarbonized Society," "Implementing Continuous Improvements in Energy Services," and "Co-creating a Smart and Vibrant Society," which are among the issues identified as materiality. The Company is also actively taking on challenges toward the real-world implementation of fundamental deep technologies, such as AI and quantum computing. Specific technology development initiatives that contribute to achieving carbon neutrality, such as the development of aggregation technology for distributed energy resources and large-capacity chargers/dischargers for electric buses, are disclosed on the Company's website, in the Research Institute Annual Report available in a section dedicated to technology development initiatives.

(The Company's website: Technology development initiatives)* In Japanese only

https://www.kyuden.co.jp/company_tech_index.html

o Addressing climate change

The impact of climate change-related risks and profit opportunities on the Company's business activities and profits are calculated after collecting and analyzing necessary data, and the results are disclosed in the Integrated Report based on the framework of the TCFD.

(Kyuden Group Integrated Report)

https://www.kyuden.co.jp/english_ir_library_annual_index.html

[Supplementary Principle 4.1.1 Clarification of the Scope of Matters Delegated to Management]

The Company's Board of Directors makes decisions on corporate business execution as well as matters stipulated under laws, regulations and the Articles of Incorporation, and supervises Directors in their execution of duties.

The President & Chief Executive Officer provides oversight of other Executive Officers with respect to the Company's business execution in accordance with resolutions of the Board of Directors. Meanwhile, Executive Officers other than the President & Chief Executive Officer share and execute business affairs of the Company and Group companies, etc. within a range delegated per resolution of the Board of Directors, under the supervision of the President & Chief Executive Officer.

Specific business affairs delegated and assigned to Executive Officers are determined by the Board of Directors and details thereof are accordingly disclosed in the Securities Report and in press releases posted to the Company's website.

(Delegation of business affairs to Directors) * In Japanese only

https://www.kyuden.co.jp/press_h240430b-1.html

[Principle 4.9 Independence Standards and Qualification for Independent Directors]

The Company elects its outside officers having established its own decision criteria for the independence of outside officers in light of requirements for Outside Director pursuant to the Companies Act and also based on independence standards set by the securities exchange on which the Company is listed.

The decision criteria for the independence of outside officers of the Company is disclosed on the Company's website.

(Kyushu Electric Power's decision criteria for the independence of outside officers) * In Japanese only

https://www.kyuden.co.jp/ir_management_governance.html

[Supplementary Principle 4.10.1 Mandates and Roles of the Members of the Personnel Advisory Committee and the Remuneration Advisory Committee, and the Policy Regarding the Independence of the Composition]

The Company has established the Personnel Advisory Committee and the Remuneration Advisory Committee, chaired by Outside Directors and the majority of whose members are Outside Directors, with the aim of enhancing independence, transparency and objectivity in selecting and dismissing candidates for Director, etc. and determining remuneration.

Outside Directors are appropriately involved and give advice in their respective Committees from an independent and objective standpoint.

The Personnel Advisory Committee deliberates on matters related to the selection of Director candidates, etc., taking into consideration the diversity of the Board of Directors as a whole and its response to the entire business field. The Committee shall obtain prior consent from the Audit & Supervisory Committee with respect to candidates for Directors who are members of the Audit & Supervisory Committee.

The Remuneration Advisory Committee deliberates on matters related to the policy for determining executive remuneration and the determination of individual remuneration, etc.

In addition, Audit and Supervisory Committee Member take part in meetings of the two Committees as observers and confirm that deliberations of the Committee are carried out to ensure that the function of supervising the execution of duties of Directors is effectively executed.

[Supplementary Principle 4.11.1 Views on the Appropriate Balance among Knowledge, Experience, Etc. of the Board of Directors as a Whole, as Well as on Diversity and Appropriate Board Size]

The Articles of Incorporation stipulate that the Company's Board of Directors is to consist of up to 19 Directors (of which up to five are to be Directors who are Audit and Supervisory Committee Members), from the perspective of achieving active deliberations and strengthening the supervisory function.

The Board of Directors considers the perspective of achieving both diversity in gender, nationality, career background, age, etc. and an appropriate size. Candidates for Inside Director are selected by comprehensively taking into account their personal character, insight, ethics, career background (extensive practical experience, knowledge, etc.), and capabilities (management capabilities that will contribute to achieving the sustainable growth of the Group and maximizing its corporate value over the medium to long term).

For Outside Director, comprising at least one-third of the overall Board of Directors, candidates who meet the decision criteria for the independence and have abundant experience and insight in corporate management and fields of specialization are selected. The Board of Directors is comprised of three female Directors, and structured to ensure diversity as a whole in terms of gender, internationality, professional experience, and age, as well as an appropriate size, while taking into consideration the entire business field.

With respect to Audit and Supervisory Committee Members, an Audit and Supervisory Committee Member (a certified public accountant) who have knowledge regarding finance and accounting and two Audit and Supervisory Committee Members (of which one is an attorney) who have knowledge regarding legal affairs have been elected.

A skill matrix showing the diversity of Directors is included in the Notice of Convocation of The 99th Ordinary General Meeting of Shareholders and the Class General Meeting of Common Shareholders.

(Notice of Convocation of The 100th Ordinary General Meeting of Shareholders) * In Japanese only

https://www.kyuden.co.jp/library/pdf/ir/stock/kabunushisoukai-tuuti-100.pdf

[Supplementary Principle 4.11.2 Concurrent Positions of Directors and Audit and Supervisory Committee Members]

The concurrent positions held by the Company's Directors as officers at other listed companies (as of the filing date of this report) are as follows.

In order for all Directors to properly fulfill their roles and responsibilities, they are required, in principle, to attend at least 75% of the Board of Directors meetings, and when holding concurrent positions, the Company confirms that such positions do not interfere with the Company's management and business execution.

(Applicable Officers)

Michiaki Uriu

Outside Director, Audit and Supervisory Committee Member of The Nishi-Nippon City Bank, Ltd.

Outside Director of RKB MAINICHI HOLDINGS CORPORATION

Yoshiharu Senda

Outside Director of FUJI P.S CORPORATION

Masaru Nishiyama

Outside Director of Nippon Tungsten Co., Ltd.

Sakie Tachibana Fukushima

Outside Director of Aozora Bank, Ltd.

Yuji Hirako

Outside Director of Seven Bank, Ltd.

Outside Director of JVCKENWOOD Corporation

Tomoka Sugihara

Outside Director,Audit and Supervisory Committee Member of Nippon Tungsten Co., Ltd

[Supplementary Principle 4.11.3 Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole]

The Board of Directors of the Company has evaluated its own effectiveness since fiscal 2015.
In fiscal 2023, toward (1) "delegation of authority to executive officers to accelerate decision-making" and (2) "enhancement of discussions on management strategies and important issues for the entire Group," as suggested in opinions from the effectiveness evaluation of the previous fiscal year, the Board of Directors have:

(1) expanded matters delegated by the Board of Directors to the President & Chief Executive Officer who is a Representative Director in consideration of laws and regulations, the Articles of Incorporation, and risk management perspectives; and
(2) held timely exchange of opinions (on a total of 11 topics, including company-wide risks and the medium-term management plan) by regularly holding the "Director Roundtables," a forum for discussion by all Directors.

In addition, for the effectiveness evaluation, from the perspective of further improving assessment quality and enhancing objectivity, a questionnaire was conducted using the findings of an external organization.
[Questionnaire topics]

(1) Composition and operation of the Board of Directors
(2) Management strategies and business strategies
(3) Corporate ethics and risk management
(4) Monitoring business performance and evaluation/remuneration of management
(5) Dialogue with shareholders, etc.

This questionnaire and opinions provided in the discussions with all Directors that it would be desirable for more effort to be put into further improving the following aspects:

・Discussions on a desirable approach to governance by the Board of Directors in view of a new structure of the Group

Going forward, the Board of Directors will keep up efforts to improve effectiveness of the Board of Directors.

[Supplementary Principle 4.14.2 Training Policy for Directors and Audit and Supervisory Committee Members]

The Company holds legal affairs seminars for newly appointed officers upon appointment of new Directors. Subsequent to new Directors having taken office, the Company provides them with ongoing training in dealing with the media as well as opportunities to take part in various seminars and other such forums outside of the Company, which serve as opportunities for them to fully understand roles and responsibilities required of Directors.
In addition to the aforementioned, the Company provides Outside Directors with explanations on the Company overall, business circumstances and other such matters as appropriate, and also conducts tours of important facilities.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]
In promoting constructive dialogue with its shareholders, the Company has prepared the "Approach to Information Disclosure" containing Company-wide guidelines established to promote information disclosure by each and every employee, and has also prepared IR basic policy encompassing Company-wide guidelines established to encourage IR activities that emphasize highly transparent information disclosure and interactive communications. The IR basic policy is disclosed on the Company's website.

(IR basic policy)
https://www.kyuden.co.jp/english_ir_policy-calendar.html

[Status of Implementation of Dialogue with Shareholders, etc.]
Details of the Company's policy for promoting constructive dialogue with shareholders and IR activities are disclosed in "2. IR Activities, III Implementation of Measures for Shareholders and Other Stakeholders" of this report, as well as in the Integrated Report and ESG Databook.
(Kyuden Group Integrated Report)
https://www.kyuden.co.jp/english_ir_library_annual_index.html
(Kyuden Group ESG Date Book)
https://www.kyuden.co.jp/english_ir_library_esg_index.html

[Response to Action to Implement Management that is Conscious of Cost of Capital and Stock Price]
[Updated: October 3 2024**]**
The Group will raise its ROE (return on equity) and PER (price earnings ratio) through such financial and non-financial initiatives as promotion of ROIC (return on invested capital) management, achievement of carbon neutrality, and enhancement of human capital, thereby achieving sustainable enhancement of corporate value as defined by maintaining a PBR (price-to-book ratio, expressed as a multiple) of more than 1.
See the Integrated Report for details of the initiatives for achieving sustainable enhancement of corporate value.
(Kyuden Group Integrated Report)
https://www.kyuden.co.jp/english_ir_library_annual_index.html

2. Capital Structure

Foreign Shareholding Ratio	From 10% to less than 20%

[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd.(trust unit)	73,897,000	15.59
Custody Bank of Japan, Ltd. (trust unit)	25,333,215	5.35
Meiji Yasuda Life Insurance Company	20,594,200	4.35
Nippon Life Insurance Company	11,810,748	2.49
Kyushu Electric Power Co., Inc. Employees' Shareholding Association	11,332,422	2.39
The Bank of Fukuoka, Ltd.	8,669,723	1.83
JP MORGAN CHASE BANK 385781	6,386,970	1.35
JPMorgan Securities Japan Co.,Ltd.	5,243,810	1.11
SSBTC CLIENT OMNIBUS ACCOUNT	4,909,126	1.04
Mizuho Bank, Ltd.	4,835,478	1.02

Supplementary Explanation

1. The change report made available to the public on February 22, 2024, states that Nomura Asset Management Co., Ltd. held 19,404,200 shares (4.09%) as of February 15, 2024. However, these are not included in the Status of Major Shareholders provided above because the Company was unable to verify the number of shares substantially held as of March 31, 2024.

2. The change report made available to the public on March 4, 2024, states that MUFG Bank, Ltd. and its joint holders (three holders in total) held 18,723,106 shares (3.95%) as of February 26, 2024. However, these are not included in the Status of Major Shareholders provided above because the Company was unable to verify the number of shares substantially held as of March 31, 2024.

3. The number of shares held by Mizuho Bank, Ltd. includes 800 Class B preferred shares issued in August 2023. These Class B preferred shares have no voting rights at the Company's General Meeting of Shareholders.

Controlling Shareholder (except for Parent Company)	-
Parent Company	None

Supplementary Explanation
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3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market Fukuoka Stock Exchange
Fiscal Year-End	March
Type of Business	Electric Power & Gas
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 50 to less than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

To sustainably enhance the Kyuden Group's corporate value, the Company shares management visions, policies, and other matters with Group companies in the management of the Group.

The basic policy is to respect the independence of management of the Group's listed affiliates. The Company also provides support, guidance, and advice, as necessary, to help these companies grow and develop and to facilitate their smooth business operation. The only Group company that is listed is Kyudenko Corporation. Kyudenko, making major contributions to a stable supply of power through its power distribution work and other operations, is an important partner in the Company's business. Capitalizing on its public credibility and recognition as a listed company, Kyudenko has grown its business even through transactions with non-Group companies, contributing to the Group's consolidated performance as an equity-method affiliate and thus helping to enhance the Group's corporate value.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with Audit and Supervisory Committee

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	19
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Company Chairperson
Number of Directors	14
Number of Outside Directors	5
Number of Independent Officers	5

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Sakie Tachibana Fukushima	From another company											
Yuji Hirako	From another company											
Yuji Oie	Scholar											
Tomoka Sugihara	Attorney											
Yuka Shigetomi	CPA								△			

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;
"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the listed company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others

Outside Directors' Relationship with the Company (2)

Name	Membership of Audit and Supervisory Committee	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons of Appointment
Sakie Tachibana Fukushima		○		She has abundant experience gained through many years as a senior corporate manager in Japan and the United States, along with broad knowledge of global human resource management and corporate governance, and has a suitable personal character and insight for an Outside Director of the Company.
Yuji Hirako		○		He has abundant experience gained through many years as a senior corporate manager in Japan and the United States, along with broad knowledge of finance , IR, sales, and marketing, and has a suitable personal character and insight for an Outside Director of the Company.

Name	Membership of Audit and Supervisory Committee	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons of Appointment
Yuji Oie	○	○		He has abundant experience and superior insight such as leading advanced information networking technology in Japan as an expert on information network engineering. He also has experience being involved in human resource development and organizational operation as President of a university, and has a suitable personal character and insight for an Outside Director of the Company.
Tomoka Sugihara	○	○		She has abundant experience concerning legal affairs in general as an attorney at law and experience as an outside director, and has a suitable personal character and insight for an Outside Director of the Company.

Name	Membership of Audit and Supervisory Committee	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons of Appointment
Yuka Shigetmi		○	Ms. Shigetomi belonged to ShinNihon LLC (currently Ernst & Young ShinNihon LLC) until September 2016. The Company pays fees for outsourced services and other charges to the audit firm, but because such payments during the most recent fiscal year account for significantly less than 1% of revenues of the firm, the relationship does not affect her independence as an independent officer.	She has abundant experience as a certified public accountant, along with broad knowledge of risk management and ESG management promotion from the global perspective, and has a suitable personal character and insight for an Outside Director of the Company.

[Audit and Supervisory Committee]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Audit and Supervisory Committee	4	1	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Audit and Supervisory Committee	Appointed

Matters Related to the Independence of Such Directors and/or Staff from Executive Directors

Audit and Supervisory Officers who furnish support for duties of the Audit and Supervisory Committee as well as employees belonging to the Audit and Supervisory Committee Office, which serves as a specialist organizational body, perform their duties in alignment with instructions and orders of the Audit and Supervisory Committee. In addition, the Audit and Supervisory Committee engages in preliminary discussions as needed on matters regarding personnel affairs with respect to the Audit and Supervisory Officer and employees belonging to the Audit and Supervisory Committee Office.

Cooperation among Audit and Supervisory Committee, Accounting Auditors and Internal Audit Departments

The Audit and Supervisory Committee and Deloitte Touche Tohmatsu LLC, the Accounting Auditor, work to maintain close cooperation. This involves holding regular meetings, engaging in debriefings regarding audit plans, attending audits, engaging in debriefings on fiscal year-end audit results, receiving notifications on "Matters Related to the Performance of Duties of Financial Auditor(s)," and occasionally exchanging views. The Audit and Supervisory Committee and internal auditing body (Internal Audit Office and Nuclear Power Audit Office) work to improve and enhance audit functions through close cooperation on formulating audit plans and reporting audit results.

[Voluntary Establishment of Nomination/Remuneration Committee]

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established

Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Personnel Advisory Committee	Remuneration Advisory Committee
All Committee Members	4	4
Full-time Members	0	0
Inside Directors	1	1
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

Supplementary Explanation

[Personnel Advisory Committee]
The Personnel Advisory Committee deliberates and resolves on selection, etc. of candidates for Director (including appointment of Senior Directors and Representative Directors) as well as Senior Executive Officers, and reports its findings to the Board of Directors. During fiscal 2023, the Committee held meetings four times, and all of the members attended the meetings.

The information on how the Committee engages in matters is provided in "iv) Policies and procedures implemented by the Board of Directors in the election/dismissal of senior management and the nomination of candidates for Director, [Principle 3.1 Full Disclosure], [Disclosure Based on the Principles of the Corporate Governance Code], 1. Basic Views, I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information" of this report.

[Remuneration Advisory Committee]
The Remuneration Advisory Committee deliberates and makes resolutions on the policy for determining the remuneration of Directors (excluding members of the Audit & Supervisory Committee), Senior Executive Officers and Executive Officers, and the amount of remuneration for each individual, and reports its findings to the Board of Directors.
During fiscal 2023, the Committee held meetings four times, and all of the members attended the meetings.

The information on how the Committee engages in matters is provided in "[Director Remuneration], 1. Organizational Composition and Operation, II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" of this report.

[Independent Officers]

Number of Independent Officers	5

Matters relating to Independent Officers
All eligible Outside Directors are designated as independent officers. Electric power transactions with independent officers have not been presented because such transactions do not affect the independence of the independent officers given that such transactions constitute ordinary transactions carried out with general consumers and corporations.

[Incentives]

Incentive Policies for Directors	Performance-linked Remuneration

Supplementary Explanation
The information related to the implementation of various measures to grant incentives to Directors is provided in "[Director Remuneration], 1. Organizational Composition and Operation, II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" of this report.

Recipients of Stock Options	—

Supplementary Explanation
—

[Director Remuneration]

Disclosure of Individual Directors' Remuneration	No Individual Disclosure

Supplementary Explanation

Amount of remuneration, etc. for Directors for fiscal 2023

○ Basic remuneration [monetary remuneration / monthly remuneration]

Directors (excluding Audit and Supervisory Committee Members):

15 recipients	¥352 million

Directors (Audit and Supervisory Committee Members):

4 recipients	¥78 million
Total: 19 recipients (including 5 Outside Directors)	¥430 million (including ¥60 million for Outside Directors)

○ Performance-linked remuneration [monetary remuneration / bonus (short-term performance-linked remuneration)]

Directors (excluding Audit and Supervisory Committee Members):

8 recipients	¥45 million

Directors (Audit and Supervisory Committee Members):

– recipients	¥– million
Total: 8 recipients (including – Outside Directors)	¥45 million (including ¥– million for Outside Directors)

○ Performance-linked remuneration [non-monetary remuneration / share remuneration (medium- to long-term performance-linked remuneration)]

Directors (excluding Audit and Supervisory Committee Members):

8 recipients	¥118 million

Directors (Audit and Supervisory Committee Members):

– recipients	¥– million
Total: 8 recipients (including – Outside Directors)	¥118 million (including ¥– million for Outside Directors)

(Notes) 1. The Company makes payment of performance-linked remuneration to its Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors). Given that the performance-linked remuneration serves as incentive for Directors to improve financial performance, it consists of "bonus (short-term performance-linked remuneration)" determined according to financial performance of each fiscal year, and "share remuneration (medium- to long-term performance-linked remuneration)" for the aim of motivating Directors to increase corporate value over the medium to long term. The Company sets performance-linked remuneration commensurate with professional duty requirements in a manner that makes the notion of responsibilities being linked to financial results clear. To such ends, the Company sets such amounts within ranges for the total amount and the maximum number of shares resolved at the General Meeting of Shareholders, based on performance indicators including a financial target for consolidated ordinary income set forth under the Management Vision, reduction in greenhouse gas emissions for going carbon neutral, and the status of dividends paid to shareholders. Payment of performance-linked remuneration may be withdrawn in case of an improper conduct or the like.

2. The Company provides share remuneration to Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors; hereinafter in this note, such Directors are referred to as "DIRECTORS") as non-monetary remuneration. The share remuneration is a performance-linked share remuneration whereby the Company's shares are acquired through a trust using underlying monetary funds contributed by the Company (hereinafter referred to as the "Trust") and, in accordance with the Stock Grant Regulations for Officers established by the Company, whereby the Company's shares and the sum of money equivalent to the value calculated

at the current market price (hereinafter referred to as "the Company's Shares, Etc.") are paid to DIRECTORS through the Trust. In principle, DIRECTORS will receive the Company's Shares, Etc. at the time of their resignation as DIRECTORS.

3. It was resolved, at the 94th Ordinary General Meeting of Shareholders held on June 27, 2018, to set the limit on monetary remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) as ¥610 million or less annually for both monthly remuneration and bonus combined (including ¥40 million or less for Outside Directors for only monthly remuneration). There are 14 Directors (of which, 2 are Outside Directors; excluding Directors who are Audit and Supervisory Committee Members) as of the conclusion of the Ordinary General Meeting of Shareholders. In addition, at the 94th Ordinary General Meeting of Shareholders held on June 27, 2018, it was resolved to set the amount of non-monetary remuneration (share remuneration) at ¥390 million or less for three consecutive fiscal years, separately from the monetary remuneration (eligibility does not apply to Directors who are Audit and Supervisory Committee Members and Outside Directors). There are 12 Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) as of the conclusion of the Ordinary General Meeting of Shareholders.
   Furthermore, in light of the partial amendments to the Companies Act that came into effect on March 1, 2021, it was resolved, at the 97th Ordinary General Meeting of Shareholders held on June 25, 2021, to set the limit on the number of the Company's common shares to be acquired using the aforementioned ¥390 million at 420,000 shares. There were nine Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) as of the conclusion of this Ordinary General Meeting of Shareholders.
   At the 94th Ordinary General Meeting of Shareholders held on June 27, 2018, it was resolved to set the amount of monetary remuneration for Directors who are Audit and Supervisory Committee Members at ¥130 million or less annually. There are five Directors who are Audit and Supervisory Committee Members as of the conclusion of the Ordinary General Meeting of Shareholders.

Total amounts of remuneration on a consolidated basis, etc. have not been individually disclosed because no single recipient was awarded remuneration amounting to ¥100 million or more.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

(1) Matters related to determination policy pertaining content of remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members)

(a) Method of determining the determination policy

The Board of Directors makes decisions regarding determination policy pertaining content of remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company (hereinafter referred to as the "Determination Policy"). Such decisions by the Board of Directors are made based on deliberations of the Remuneration Advisory Committee, chaired by an Outside Director and the majority of whose members are Outside Directors. In addition, Audit and Supervisory Committee Members attend meetings of the Remuneration Advisory Committee where they confirm the appropriateness of the Committee's discussions.

(b) Details of the Determination Policy

Details of the Determination Policy are as follows.

i) Basic policy

Remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) consists of basic remuneration and performance-linked remuneration. Remuneration for Outside Directors is limited to basic remuneration, without application of performance-linked remuneration in view of their duties. The Board of Directors decides remuneration amounts set within a

range for the total amount and the maximum numbers of shares resolved at the General Meeting of Shareholders, upon having taken into account deliberations of the Remuneration Advisory Committee, chaired by an Outside Director and the majority of whose members are Outside Directors.

In addition, Audit and Supervisory Committee Members attend meetings of the Remuneration Advisory Committee where they confirm the appropriateness of the Committee's discussions.

ii) Policy on determining the calculation method of basic remuneration

The basic remuneration serves as monthly remuneration, the amounts of which are commensurate with professional duty requirements and within a range for the total amount resolved at the General Meeting of Shareholders, upon having taken into account such factors as the Company's business environment, remuneration levels at other companies, principally listed companies, and remuneration levels of the Company's employees.

iii) Policy on determination of details of performance-linked remuneration and calculation method of remuneration amount

Given that the performance-linked remuneration serves as incentive for Directors to improve financial performance, it consists of "bonus" determined according to financial performance of each fiscal year, and "share remuneration" for the aim of motivating Directors to increase corporate value over the medium to long term. The Company sets performance-linked remuneration commensurate with professional duty requirements and within ranges for the total amount and the maximum number of shares resolved at the General Meeting of Shareholders, based on performance indicators including a financial target for consolidated ordinary income set forth under the Management Vision, reduction in greenhouse gas emissions for going carbon neutral, and the status of dividends paid to shareholders. The bonus is paid at a certain time each year and share remuneration is paid upon resignation, in principle, but may not be paid depending on business performance. In addition, the Board of Directors makes decisions on performance indicators upon having taken into account deliberations of the Remuneration Advisory Committee in cases where performance indicators used in deciding performance-linked remuneration amounts become subject to review.

iv) Policy on determination of composition ratio of the amounts of basic remuneration and performance-linked remuneration

The Board of Directors makes decisions on the mix of remuneration components upon having taken into account deliberations of the Remuneration Advisory Committee regarding the proportional mix, which is configured such that those in higher positions receive a higher proportion of performance-linked remuneration. As a general rule, the mix of remuneration components is such that basic remuneration and performance-linked remuneration account for 70% and 30% of total remuneration for Directors on average, respectively, if performance indicator targets have been fully achieved.

v) Matters related to delegation of decisions on individual remuneration

The Board of Directors decides matters involving individual remuneration, upon having taken into account deliberations of the Remuneration Advisory Committee. However, by resolution of the Board of Directors, such decisions may be delegated to the Representative Director & Chairperson, who does not assume responsibility for business execution and serves as Chairman of the Board of Directors from the perspective of supervising business execution of the respective Directors (excluding Directors who are Audit and Supervisory Committee Members). In such cases, the Representative Director & Chairperson is to make such decisions upon having taken into account deliberations of the Remuneration Advisory Committee. In addition, the Remuneration Advisory Committee reports to the Board of Directors on matters involving appropriate execution of authority delegated by the Board of Directors, upon having confirmed such matters every fiscal year.

(c) Reasons that the Board of Directors has determined that remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) for the current fiscal year is in alignment with the Determination Policy

With respect to remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) in the current fiscal year, the Remuneration Advisory Committee has confirmed that methods for calculating the basic remuneration and performance-linked remuneration as well as actual remuneration amounts have been subject to appropriate management and decision-making in accordance with the Determination Policy. The findings thereof were reported to the Board of Directors at its meeting held on April 30, 2021.
The Board of Directors deems that actual remuneration aligns with the Determination Policy, and exhibits due respect for confirmation reporting of the Remuneration Advisory Committee.

(2) Matters related to delegating decisions on remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members)
For this fiscal year, Representative Director & Chairperson Michiaki Uriu made specific decisions regarding amounts of remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members). Such decisions were made pursuant to resolution of the Board of Directors, upon the Board of Directors having determined the most appropriate approach to be that of delegating such decisions to the Representative Director & Chairperson, who does not assume responsibility for business execution and serves as Chairman of the Board of Directors from the perspective of supervising business execution of the respective Directors (excluding Directors who are Audit and Supervisory Committee Members), taking the Determination Policy into account.
Such authority entails determining allocations of basic remuneration and performance-linked remuneration for respective Directors (excluding Directors who are Audit and Supervisory Committee Members).
To ensure that such authority has been properly exercised, the Representative Director & Chairperson determines remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members), upon having taken into account deliberations of the Remuneration Advisory Committee. In addition, the Remuneration Advisory Committee reports to the Board of Directors on matters involving appropriate execution of authority delegated by the Board of Directors, upon having confirmed such matters every fiscal year.

(3) Matters related to determination policy pertaining content of remuneration, etc. for individual Directors who are Audit and Supervisory Committee Members

(a) Method of determining the determination policy
The Audit and Supervisory Committee makes decisions regarding determination policy pertaining content of remuneration, etc. for individual Directors who are Audit and Supervisory Committee Members of the Company (hereinafter referred to as the "Determination Policy") on the basis of discussions involving Directors who are Audit and Supervisory Committee Members.

(b) Details of the Determination Policy
Details of the Determination Policy are as follows.
Remuneration for individual Directors who are Audit and Supervisory Committee Members consists of monthly remuneration only, because it would be inappropriate to link their remuneration to business performance given the notion that such Directors assume the role of supervising and auditing management of the Company from a standpoint independent of business execution.
Remuneration amounts are decided on the basis of discussions involving Directors who are Audit and Supervisory Committee Members, and within a range for the total amount resolved at the General Meeting of Shareholders.

The remuneration is set at an amount appropriate to the individual's duties to be performed, taking into account such factors as remuneration levels at other companies, principally listed companies, and remuneration levels of the Company's employees. Such decisions are made upon having referred to content of deliberations regarding amounts of remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members), upon having taken into account factors such as the Company's business environment, as discussed in a meeting of the Remuneration Advisory Committee, chaired by an Outside Director and the majority of whose members are Outside Directors.

[Supporting System for Outside Directors]

Outside Directors are assigned a secretary tasked with liaising and coordinating with respective divisions within the Company. Furthermore, for Outside Directors who are Audit and Supervisory Committee Members, the Audit and Supervisory Committee Office is tasked with liaising, coordinating and reporting with respect to necessary matters.
In addition, when meetings of the Board of Directors and Audit and Supervisory Committee are to be held, in principle, prior to such meetings Outside Directors receive materials and are provided with explanations as necessary from divisions in charge.

[Retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)]

Information on retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)

Name	Job title/ position	Responsibilities	Employment terms (Full/part time, with/without compensation, etc.)	Date when former role as president/ CEO ended	Term
Masayoshi Nuki	Honorary Advisor	Economic group activities Social contribution activities	Full-time paid	June 27,2018	Annual Contract
Shingo Matsuo	Executive Advisor	Economic group activities Social contribution activities	Part-time paid	March 31,2012	Annual Contract

Number of retired presidents/CEOs holding advisory positions (sodanyaku, komon, etc.)	2

Others

Basic matters regarding Honorary Advisors and Executive Advisors are stipulated in the Company's internal rules.

The Company appoints Honorary Advisors and Executive Advisors when engaging in external activities that are beneficial to the Company, such that include activities carried out on behalf of the company involving industry associations and economic organizations, activities that serve society as well as charitable activities and other such initiatives that involve committee membership, etc.

Honorary Advisors and Executive Advisors are not involved in management of the Company, in terms of individual matters of business execution, decision making or otherwise.

Decisions on matters involving election and remuneration of Honorary Advisors and Executive Advisors are made by the Board of Directors subsequent to deliberations having been undertaken by the Personnel Advisory Committee.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

In principle, the Board of Directors holds a meeting once a month or as otherwise necessary to decide on important corporate management matters and monitor implementation status. Members of the Board of Directors attend its meetings, unless not possible due to unavoidable circumstances (meetings held 18 times in fiscal 2023 with members attending97.3% of such meetings on average).

The Company has five highly independent Outside Directors (including three Outside Directors who are Audit and Supervisory Committee Members) who account for at least one-third of its total number of Directors. They provide advice necessary to the Board of Directors drawing on their insight and experience, and also appropriately engage in matters involving nomination and remuneration of candidates for Director and provide advice on such matters.

[Names of the Members]

Chairperson：Michiaki Uriu（Chairperson (Representative Director) of the Company）

Director：Kazuhiro Ikebe, Noboru Hashimoto, Atsushi Soda, Yoshiharu Senda,
Takashi Nakano, Masaru Nishiyama, Michio Hayashida, Yoshiro Uchimura

Outside Director：Sakie Tachibana Fukushima, Yuji Hirako

Outside Audit and Supervisory Committee Member： Yuji Oie, Tomoka Sugihara, Yuka Shigetomi

In principle, the Corporate Management Committee holds meetings once a week or as otherwise necessary for the purposes of discussing matters warranting preliminary discussion among matters to be decided by the Board of Directors and making important decisions on business execution (meetings held 32 times in fiscal 2023).

[Names of the Members]

Chairman：Kazuhiro Ikebe (President & Chief Executive Officer)

Vice-Presidential Executive Officer ：Noboru Hashimoto, Atsushi Soda,

Senior Managing Executive Officer*：Yoshiharu Senda, Koichi Ninomiya, Michio Hayashida, Takashi Nakano, Masaru Nishiyama, Hiroto Kido, Katsuro Hiramine, Masamichi Shinohara, Kazumitsu Higuchi

Executive Officer*：Koji Mine, Hideo Sato, Masanori Kozuma, Takashi Mitsuyoshi, Norihiro Nakamura, Kikuyo Tsuno, Yukinori Sorita, Kenichi Honda, Yasunori Tanaka, Yoshihiro Narikiyo, Kazutoshi Eto

* Ten of them will attend the meetings as needed according to the agenda.

In principle, the Audit and Supervisory Committee holds a meeting once a month or as otherwise necessary to debate on and make resolutions about reports on important matters relating to audits stipulated in laws and regulations and the Articles of Incorporation (meetings held 20 times in fiscal 2023).
In conducting audits, the Committee endeavors to effectively perform audits while considering the following basic points.

- Do practices comply with laws, regulations and the Articles of Incorporation?
- Is the internal control system properly maintained and operated?
- Does management make rational decisions and are risks promptly and appropriately addressed?

Furthermore, the Company provides a total of 11 persons to assist the duties of the Audit and Supervisory Committee. These persons are the Audit and Supervisory Officer and members of the Audit and Supervisory Committee Office, which was established as a specialist organizational body.
To ensure independence, preliminary discussions as needed are held with the Audit and Supervisory Committee on matters regarding personnel affairs with respect to the Audit and Supervisory Officer and employees belonging to the Audit and Supervisory Committee Office.

[Names of the Members]

Chairperson：Yoshiro Uchimura (Full-time Audit and Supervisory Committee Member)

Outside Audit and Supervisory Committee Members：Yuji Oie, Tomoka Sugihara, Yuka Sigetomi

The Company performs internal audits largely to ensure greater appropriateness and managerial efficiency of business operations, and has accordingly established an internal auditing body (Internal Audit Office, 19 employees) that maintains impartiality with respect to business execution. The internal auditing body performs audits in respective divisions and business locations regarding matters that include compliance with laws and regulations, etc., quality assurance systems in place to monitor safety initiatives, and the status of business execution. Meanwhile, the Company has been striving to maintain and improve audit quality, which has involved having third-party organizations perform external evaluations in 2019.

In addition, as an effort to ensure the effectiveness of internal audits, a system (dual reporting) has been established to report directly to the Board of Directors and the Audit & Supervisory Committee the results of audits, etc., for the fiscal year.

The Company has also established an internal auditing body (Nuclear Power Audit Office, 10 employees) dedicated to nuclear energy with respect to the nuclear power business. It performs audits regarding matters that include quality assurance systems in place to monitor safety initiatives and the status of business execution, while also encouraging autonomous initiatives for improving safety.

The Company's accounting audits are carried out by certified public accountants Tsugio Ito, Shinsuke Tanaka, and Yoshihisa Watanabe, of Deloitte Touche Tohmatsu LLC.

The Company's accounting audit was assisted by 12 certified public accountants and another 19 personnel.

3. Reasons for Adoption of Current Corporate Governance System

The operating environment surrounding the Company has been rapidly changing. The Company believes that strengthened governance and accelerated decision-making are essential if the Company is to respond to these changes more flexibly and dynamically. To that end, the Company has made transition to a company with Audit and Supervisory Committee.

In so doing, Company has been accelerating decision making by having the Board of Directors delegate authority to Directors, while also strengthening supervisory function of the Board of Directors by having Audit and Supervisory Committee Members hold voting rights on the Board of Directors.

More specifically, the Company has been improving the effectiveness of its audits by electing highly independent Outside Directors, strengthening the supervisory function with respect to management, and having the Audit and Supervisory Committee and the internal auditing body work together, underpinned by governance that has involved establishing a Board of Directors and Audit and Supervisory Committee. The Company has been persistently striving to enhance its system of governance by defining roles of Directors and Executive Officers in terms of supervision and execution, working to achieve exhaustive compliance management, and stipulating a basic policy on the formation of a system to ensure proper business operations (basic internal control policy).

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Company sends out notice of convocation of the General Meeting of Shareholders approximately three weeks prior to holding such meetings (notification was sent out on June 5, 2024 for the General Meeting of Shareholders held on June 26, 2024). In addition, the Company posts its notice of convocation of the General Meeting of Shareholders to its website and via the Timely Disclosure Network (TDnet) prior to sending out such notice (notice posted on May 22, 2024).
Scheduling AGMs Avoiding the Peak Day	The 100th Ordinary General Meeting of Shareholders has been held on June 26, 2024.
Allowing Electronic Exercise of Voting Rights	The Company allows shareholders to use the voting website designated by the Company to exercise their voting rights.
Participation in Electronic Voting Platform	The Company has allowed institutional investors to use the Electronic Voting Platform operated by ICJ, Inc. to exercise their voting rights starting from 2007.
Providing Convocation Notice in English	The English version of the convening notice (brief version) and reference documents for the General Meeting of Shareholders is posted on the electronic voting platform.
Other	Notice of Convocation of the General Meeting of Shareholders, Notice of Resolution, outline of the meeting, etc. are posted on the Company's website. The Company posts extraordinary reports on results of the exercise of voting rights to EDINET and posts the same content to its website.

2. IR Activities

	Supplementary Explanations
Preparation and Publication of Disclosure Policy	The Company has prepared its "Approach to Information Disclosure" containing Company-wide guidelines established to promote information disclosure by each and every employee. With respect to its IR initiatives, the Company has also prepared IR basic policy encompassing Company-wide guidelines established to encourage IR activities that emphasize highly transparent information disclosure and interactive communications. The IR basic policy is disclosed on the Company's website.
Regular Investor Briefings for Individual Investors	Officers in charge of IR and the General Manager in charge of IR furnish explanations of the Company's operational status at briefings held regularly. (The term "officers in charge of IR" refers to the President and officers nominated by the President.) 【Representative's explanation : Provided】
Regular Investor Briefings for Analysts and Institutional Investors	Officers in charge of IR and the General Manager in charge of IR furnish explanations of the Company's operational status at briefings held subsequent to releases of interim financial results, annual financial results, and management policy, etc. Officers in charge of IR and the head of the IR Group occasionally hold meetings on an individual basis. 【Representative's explanation : Provided】
Regular Investor Briefings for Overseas Investors	Officers in charge of IR and the General Manager in charge of IR regularly hold meetings with individual overseas institutional investors. 【Representative's explanation : Provided】
Posting of IR Materials on Website	URL: https://www.kyuden.co.jp/english_ir_index.html

	The President's message, management policy, information on financial and operating results, information on shares and corporate bonds, and various other IR materials are posted on the Company's website. The Company also actively discloses information in English for overseas investors.
Establishment of Department and/or Manager in Charge of IR	The Company strives for in-house coordination and has accordingly established the IR Group within the Corporate Strategy Division and has appointed an executive to handle IR matters in divisions involved with IR such as financial, legal affairs and public relations divisions.
Other	<Communications activities tailored to the needs of shareholders and other investors> ・ The Company actively engages in IR activities other than those involving briefing sessions, individual meetings, such that include small meetings, facility tours and business briefing. ・ The Company actively engages in communication efforts, such as ESG meetings in light of investor needs for carbon neutrality and other initiatives. ・ The Company also engages in two-way communication with its shareholders and other investors above and beyond its information disclosure, which involves accepting a wide range of inquiries and opinions related to IR via the "Contact us" page of its website. ・ Opinions and requests gained through IR activities serve as feedback that management applies to business operations. ・ The Company engages in stringent management with respect to insider information and accordingly establishes internal rules prohibiting its dissemination either to other officers and employees or to those outside the Company, unless otherwise necessary for business purposes.

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company establishes basic views regarding its stakeholders in the "Kyuden Group's Mission" (last revised in January 2018), the "Kyuden Group Sustainability Policy" (established in December 2021), and the "Kyuden Group Corporate Conduct Code" (last revised in April 2022).
Development of Policies on Information Provision to Stakeholders	In addition to the "Approach to Information Disclosure" (last revised in April 2020), the Company drew up the "Kyuden Group Sustainability Policy" (established in December 2021), the "Kyuden Group Corporate Conduct Code" (last revised in April 2022), and IR basic policy (established in July 2006). Those documents provide that the Company will actively disclose information and engage in responsible dialogue with stakeholders.

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

With respect to developing the system to ensure proper business operations, the Company has established basic policy on internal control systems consisting of seven items, such that include compliance of Directors and employees with laws and regulations, etc.
In fiscal 2023, at the meeting held on March 28, 2024, the Board of Directors resolved on the revision to reflect the revisions made to the Company's internal rules.
[A basic policy on the formation of a system to ensure proper business operations (basic internal control policy)]

The Company develops systems as follows with the aims of ensuring that its Directors abide by laws, regulations and the Articles of Incorporation with respect to execution of their duties, and furthermore ensuring that its corporate operations are performed appropriately in accordance with the Companies Act and the Regulation for Enforcement of the Companies Act.

1 System for ensuring that Directors abide by laws and regulations, etc. in executing their duties

- ○ The Board of Directors holds meetings once a month or as otherwise necessary, in principle, for the purposes of deliberating on and deciding matters of managerial importance in alignment with predetermined rules. It also regularly obtains reports on execution of duties so that it can supervise Directors and Executive Officers in their execution of duties.
  Members of the Board of Directors regularly evaluate the effectiveness of the decision making and supervisory function of the Board of Directors.
- ○ The Board of Directors receives advice, etc. from a standpoint independent of the Company, and has accordingly appointed Outside Directors who account for at least one-third of its total number of Directors in order to heighten effectiveness of its supervisory function.
  In addition, the Company makes decisions regarding matters that include nomination of candidates for Director and remuneration at its meetings of the Board of Directors upon having taken into account deliberations of committees chaired by Outside Directors and the majority of whose members are Outside Directors.
- ○ The Board of Directors promotes fair business practices and has accordingly established the Compliance Committee chaired by the President & Chief Executive Officer and including external experts and others with the aim of fully complying with laws, regulations, corporate ethics, the Company's internal rules, etc.
- ○ Directors and Executive Officers spearhead implementation of the "Kyuden Group Corporate Conduct Code" established to serve as norms for all business activities, along with implementation of the "Compliance Action Guidelines" which serve as code of conduct based on the aforementioned charter.

In particular, in order to ensure the neutrality of the general transmission and distribution business operated by Kyushu Electric Power Transmission and Distribution Co., Inc., the Company will comply with the "Code of Conduct for Ensuring the Neutrality of General Power Transmission and Distribution Business" as well as develop organizational and business operation systems, etc.

- ○ Directors and Executive Officers take a resolute stance against improper demands made by antisocial forces and accordingly sever associations with such forces by coordinating with the relevant authorities and taking a unified organizational response.
- ○ The Board of Directors, Directors (excluding Directors who are Audit and Supervisory Committee Members), and Executive Officers exhibit due respect for any and all recommendations and advice furnished by the Audit and Supervisory Committee or Audit and Supervisory Committee Members particularly with respect to incidents that may be inappropriate in terms of legality or incidents that could significantly inflict damage on the Company.

2 System related to storage and management of information pertaining to Directors in their execution of duties

- ○ The Company properly stores and manages minutes of meetings of the Board of Directors and other such documents specified by laws and regulations, as well as documents otherwise important with respect to making decisions, upon having established points of administrative responsibility based on the Company's internal rules.
- ○ The Company ensures security as necessary with respect to information pertaining to execution of duties, pursuant to basic policy and rules on information security.

3 System related to risk management

- ○ The Company defines major Company-wide and division-specific risks that could affect management, which involves regularly identifying, categorizing, and assessing such risks based on rules related to risk management.
- ○ Respective divisions and business locations appropriately manage risks in a manner that involves incorporating measures for addressing major defined risks and risks associated with specific matters into their business plans.
- ○ The Company appropriately takes action to address risks associated with multiple divisions and major risks liable to materialize by defining response structures upon having shared information among related divisions.

  For nuclear energy in particular, the Company persistently mitigates such risk by striving to identify an extensive range of risk taking into account factors such as external knowledge and opinions, and sharing such information with Directors, Executive Officers and others.
- ○ The Company strives to swiftly and precisely address instances that may involve such risk having materialized, unforeseen emergencies, occurrences that impair public confidence, and events that otherwise substantially affect corporate management and society. To such ends, the Company takes preliminary action by establishing response structures and stipulating procedures within rules, and also performs training on a regular basis.

4 System for ensuring that Directors efficiently execute their duties

- ○ The Company has established the "Corporate Management Committee," which serves as a forum for discussions on matters warranting preliminary discussion among matters to be decided by the Board of Directors, and for discussions on matters on implementation of important business affairs with respect to which the President & Chief Executive Officer supervises the Company's business execution. In addition, the Company establishes meeting structures, as necessary, for preliminary deliberation and coordination with respect to important matters.
- ○ The Company appoints Executive Officers when executing the Company's business for the purposes of accelerating decision making and ensuring efficient execution of duties.

- The Board of Directors stipulates matters of delegation and assignment of business affairs to Executive Officers, and the Executive Officers accordingly undertake execution of such business affairs.
- The "Organization and Authority Rules" stipulate matters involving segregation of duties of respective divisions, as well as fundamental roles, duties and authority assigned to respective positions, thereby helping to ensure that Directors, Executive Officers, and employees execute their duties appropriately and efficiently.

5 System for ensuring that employees abide by laws and regulations, etc. in executing their duties

(1) System for ensuring compliance with laws and regulations, etc.

- Under the authority of the President, who is ultimately responsible for compliance management, the Company appoints Compliance Officers to respective divisions, etc., in order to promote compliance with corporate ethics, laws and regulations, etc., in accordance with fundamental policies drawn up by the Compliance Committee, its recommendations and specific measures deliberated on by the Committee.
- The Company ensures rigorous compliance by conducting education and training sessions for employees encompassing content that includes risk management associated with their use of information technology, and by furthermore striving to instill precepts of the "Kyuden Group Corporate Conduct Code", the "Compliance Action Guidelines" and "Code of Conduct for Ensuring Neutrality in the General Transmission and Distribution Business" and causing them to take hold.
- The Company has set up contact points for whistleblowing and compliance consultation both within and outside the Company to ensure that its employees, those of Group companies and others are able to seek consultation regarding compliance. It furthermore safeguards those seeking consultation and otherwise appropriately manages such operations.
- Establish a "Regulatory Compliance Desk" to receive consultations from employees of the Company and its Group companies regarding the neutrality of the general transmission and distribution business (conduct regulations), and ensure appropriate operations, including the protection of those making consultations. Also, in the course of business operations, if a case is discovered through the regulatory compliance desk, etc. that may violate conduct regulations, the Company will work to improve its business operations to ensure compliance with the conduct regulations.
- The Company appropriately operates its internal controls that govern financial reporting and otherwise ensures that its financial reporting is reliable by establish systems to make corrections as necessary.

(2) System of internal audit

- The Company performs internal audits largely to ensure greater appropriateness and managerial efficiency of business operations, and has accordingly established an internal auditing body that maintains impartiality with respect to business execution. The internal auditing body performs audits in respective divisions and business locations regarding matters that include compliance with laws and regulations, etc., quality assurance systems in place to monitor safety initiatives, and the status of business execution.
- The Company has also established an internal auditing body dedicated to nuclear energy with respect to the nuclear power business. It performs audits regarding matters that include quality assurance systems in place to monitor safety initiatives and the status of business execution thereof.

6 System for ensuring proper business operations of the Group

- The Company promotes management on a Group-wide basis by sharing basic principles and management policy of the entire Group.
- The Company deals with managerial challenges of the Group by having Group companies draw up business plans that incorporate measures to address risk, having Group companies furnish reports on

operating results, and engaging in preliminary discussions with Group companies on matters that could significantly affect management of the Company.

- ○ The Company promotes fair business practices of the Group by conducting compliance education and other such initiatives on a Group-wide basis, disseminating and instilling precepts of the "Kyuden Group Corporate Conduct Code," as well as encouraging respective Group companies engaging in initiatives that involve drawing up action guidelines and establishing points of contact for whistleblowing.
- ○ The Company closely coordinates sharing of information within the Group by establishing various meeting structures consisting of important Group companies and making use of a Group-specific information network.
- ○ The Company's internal auditing body performs audits as necessary with respect to Group companies.

7 System for ensuring that the Audit and Supervisory Committee effectively executes its duties

(1) System of staff members who assist the Audit and Supervisory Committee

- ○ The Company has appointed an Audit and Supervisory Officer who is responsible for assisting in the duties of the Audit and Supervisory Committee. The Company also assigns personnel as necessary to the Audit and Supervisory Committee Office, established as an organization dedicated to assisting in the duties of the Audit and Supervisory Committee.

(2) System for ensuring independence of Audit and Supervisory Committee staff members

- ○ The Audit and Supervisory Officer and employees belonging to the Audit and Supervisory Committee Office (the "Audit and Supervisory Officer, etc.") perform their duties in alignment with instructions and orders of the Audit and Supervisory Committee.
- ○ The Audit and Supervisory Committee engages in preliminary discussions on matters related to personnel affairs involving the Audit and Supervisory Officer, etc.

(3) System related to reporting to the Audit and Supervisory Committee

- ○ Directors (excluding Directors who are Audit and Supervisory Committee Members), Executive Officers and employees are to respond to Audit and Supervisory Committee requests for reports and explanations on important matters of business execution.
  Directors, Executive Officers, Audit and Supervisory Committee Members and employees of Group companies are to respond to requests from the Company's Audit and Supervisory Committee for reports and explanations on important matters of business execution.
- ○ Directors and Executive Officers are to promptly report to the Audit and Supervisory Committee upon having discovered incidents that could significantly inflict damage on the Company.
  Directors, Executive Officers and Audit and Supervisory Committee Members of Group companies are to promptly report to the Audit and Supervisory Committee upon having discovered incidents that could significantly inflict damage on the Company.
- ○ Directors are to take appropriate action to ensure that a party who has reported to the Audit and Supervisory Committee as previously mentioned does not become subject to unfavorable treatment as a consequence of such reporting.

(4) Other system for ensuring that the Audit and Supervisory Committee performs audits effectively

- ○ Directors (excluding Directors who are Audit and Supervisory Committee Members) satisfy requests from the Audit and Supervisory Committee asking them to attend Corporate Management Committee meetings and other important meetings. They furthermore lend their cooperation with respect to viewing important documents, and otherwise conducting necessary inspections of audit work and securing expenses.

○ The Representative Directors and internal audit divisions meet regularly with the Audit and Supervisory Committee and exchange views.

On July 13, 2021, the Japan Fair Trade Commission (JFTC) conducted on-site inspections of the Company and Kyuden Mirai Energy Corporation on suspicion of violating the "Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act)" in connection with the supply of high voltage power and extra-high voltage power in the Kyushu and Kansai regions. On March 30, 2023, the Company received a cease and desist order and surcharge payment order under the Antimonopoly Act. Kyuden Mirai also received a cease and desist order.
In addition, on July 14, 2023, the Company and Kyuden Mirai Energy Corporation received a business improvement order from the Ministry of Economy, Trade and Industry under the Electricity Business Act.
In light of this, the Company summarized matters that should be addressed to ensure compliance with the Antimonopoly Act and other laws and regulations. On May 10, 2023, in accordance with the cease and desist order, the Company submitted to the JFTC a written application for approval concerning measures to prevent recurrence and other matters, which were approved by the JFTC on May 22, 2023.
Recognizing a difference of opinion between the Company and the JFTC regarding the fact-finding leading to the administrative punishments imposed by the JFTC, the Board of Directors of the Company, at its meeting on July 31, 2023, resolved to bring an action for cancellation of these orders, and filed a suit with the Tokyo District Court on September 29, 2023.
Regardless of the submission and outcome of this cancellation lawsuit, the Company intends to steadily implement and enhance actions to comply with the Antimonopoly Act and other laws and regulations, ensuring that such suspicion will never be aroused.
In addition, it was discovered that the Company had accessed customer information, etc. of other retail electricity providers outside of the emergency disaster response services that the Company had been entrusted with through the use of a system owned by Kyushu Electric Power Transmission and Distribution Co., Inc. On April 17, 2023, the Company and Kyushu Electric Power Transmission and Distribution Co., Inc. received a business improvement order from the Ministry of Economy, Trade and Industry under the Electricity Business Act.
In addition, it was discovered that some employees of the Company and the consigned company had used the IDs and passwords granted by the Ministry of Economy, Trade and Industry to Kyushu Electric Power Transmission and Distribution Co., Inc., and on April 17, 2023, the Company and Kyushu Electric Power Transmission and Distribution Co., Inc. received guidance from the Ministry of Economy, Trade and Industry.
Based on the series of incidents, the Company analyzed the causes of the incidents and is working on preventive measures to ensure the neutrality of its general transmission and distribution business by developing information system measures to "stop" and "prevent" inappropriate conduct, as well as systems and mechanisms to "stop" and "not allow" such conduct, and to foster an organizational culture to prevent recurrence. In response to the business improvement order and other related matters, the Company formulated a new business improvement plan and submitted it to the Ministry of Economy, Trade and Industry on May 12, 2023.
On June 29, 2023, the Company also received from the Personal Information Protection Commission guidance and a request for a report under the Act on the Protection of Personal Information. In response, on September 29, 2023, the Company submitted a report on measures taken in accordance with the guidance from the Commission.

The Company has taken very seriously the fact that this series of incidents is inappropriate from the perspective of equal footing with other retail electricity providers in terms of conduct regulations and that it could disrupt fair competition. Under the leadership of the management team headed by the President, the Company will continue to work to restore confidence by making all-out efforts to prevent recurrence with the help of external expertise.

The Board of Directors confirmed the status of maintenance and operation of "systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, and other systems to ensure the appropriateness of business operations" through self-evaluation by each department and audits by the Internal Audit Department.

○ In terms of promoting compliance, the Company has been striving to fully comply with corporate ethics, laws, regulations, the Company's internal rules, etc. Initiatives in this regard have involved promoting fair business practices upon having established the Compliance Committee chaired by the President & Chief Executive Officer and including external experts and others, and promoting compliance with corporate ethics, laws and regulations, etc., in accordance with fundamental policies drawn up by the Compliance Committee, and its recommendations and specific measures deliberated on by the Committee, upon having appointed Compliance Officers to respective divisions, etc.

The Company also established a Compliance Sub-committee, which held five special meetings on conduct regulations and two meetings on the Antimonopoly Act during fiscal 2023. The role of the Sub-committee includes evaluating overall business activities for adequacy under the conduct regulations and the Antimonopoly Act and recommending improvement opportunities.

In addition, Directors and Executive Officers have been spearheading implementation of the "Kyuden Group Corporate Conduct Code" established to serve as norms for all business activities, along with implementation of the "Compliance Action Guidelines" which serve as code of conduct based on the aforementioned charter.
Moreover, the Company has been striving to instill knowledge and cause such knowledge to take hold with respect to conducting education and training sessions for employees encompassing content that includes risk management associated with their use of information technology.
The Company has also set up contact points for whistleblowing and compliance consultation both within and outside the Company to ensure that its employees, those of Group companies and others are able to seek consultation regarding compliance, and has furthermore been safeguarding those seeking consultation and otherwise appropriately managing such operations.

○ The Company has been striving to ensure reliability of financial reporting by appropriately operating its internal controls that govern financial reporting, establishing systems to make corrections as necessary, and establishing the Financial Reporting Disclosure Committee, chaired by President & Chief Executive Officer and consisting of management executives.

○ With respect to information management, the Company has been properly storing and managing minutes of meetings of the Board of Directors and other such documents specified by laws and regulations, as well as documents otherwise important with respect to making decisions, upon having established points of administrative responsibility based on the Company's internal rules. The Company has been ensuring security as necessary with respect to information pertaining to execution of duties, pursuant to basic policy and rules on information security.

○ With respect to risk management, the Company has been defining major Company-wide and division-specific risks that could affect management, which involves regularly identifying, categorizing, and assessing such risks based on rules related to risk management.
Respective divisions and business locations have been appropriately managing risks in a manner that involves incorporating measures for addressing major defined risks and risks associated with specific matters into their business plans.
The Company has been appropriately taking action to address risks associated with multiple divisions and major risks liable to materialize by defining response structures upon having shared information among related divisions.
For nuclear energy in particular, the Company has been persistently mitigating such risk by striving to identify an extensive range of risk taking into account factors such as external knowledge and opinions, and sharing such information with Directors, Executive Officers and others.
The Company has been striving to swiftly and precisely address instances that may involve such risk having materialized, unforeseen emergencies, occurrences that impair public confidence, and events that otherwise substantially affect corporate management and society. To such ends, the Company has been taking preliminary action by establishing response structures and stipulating procedures within rules, and also performing training on a regular basis.

○ With respect to ensuring appropriate business operations of the Group, the Company has been promoting management on a Group-wide basis by sharing basic principles and management policy of the entire

Group. In addition, the Company has been dealing with managerial challenges of the Group by having Group companies draw up business plans that incorporate measures to address risk, having Group companies furnish reports on operating results, and engaging in preliminary discussions with Group companies on matters that could significantly affect management of the Company.
The Company has been promoting fair business practices of the Group by conducting compliance education and other such initiatives on a Group-wide basis, disseminating and instilling precepts of the "Kyuden Group Corporate Conduct Code" as well as encouraging respective Group companies engaging in initiatives that involve drawing up action guidelines and establishing points of contact for whistleblowing.
In addition, the Company has been closely coordinating sharing of information within the Group by establishing the Kyushu Electric Power Group Presidents Committee and various other meeting structures consisting of important Group companies, while also making use of a Group-specific information network.
The Company's internal auditing body has been furthermore auditing Group companies.

2. Basic Views on Eliminating Anti-Social Forces

The Company has been taking a resolute stance against improper demands made by antisocial forces and accordingly severing associations with such forces by coordinating with the relevant authorities and taking a unified organizational response.

The Company has been taking a resolute stance against improper demands made by antisocial forces that pose a threat to the order and safety of civil society. The Company has accordingly established a division that provides oversight on matters related to takeover defense (manager in charge of general affairs of the District Symbiosis Division, Business Solution Headquarters) and has been severing associations with such forces by coordinating with legal advisors and others and enlisting efforts of the entire organization.
The Company has also stipulated that it will resolutely oppose antisocial forces in the "Kyuden Group Corporate Conduct Code" and the "Compliance Action Guidelines." In addition, the Company has been striving to gather information in part through its enrollment in the National Center for Removal of Criminal Organizations.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

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2. Other Matters Concerning to Corporate Governance System

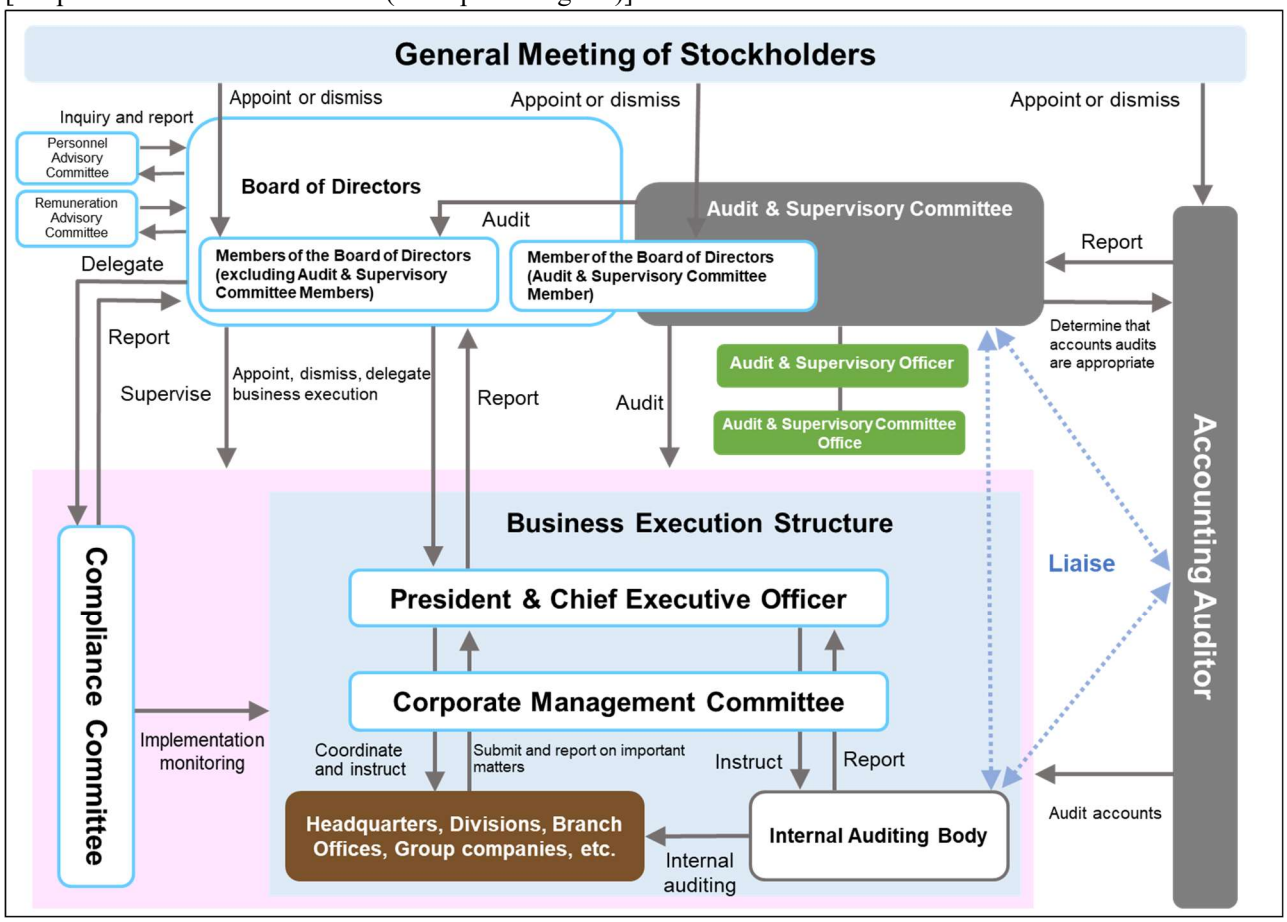
The status of internal systems pertaining to timely disclosure of the Company's corporate information is as follows.
With respect to business execution pertaining to disclosure of corporate information, the Company has established a system for appropriately disclosing information in accordance with securities listing regulations and the Company's internal rules ("Rules on Insider Trading Control and Timely Disclosure of Corporate Information").

(Information Handling Officer)
Serving as the Information Handling Officer set forth under securities listing regulations, the General Manager of the District Symbiosis Division, Business Solution Headquarters (in charge of legal affairs) acts as the point of contact with stock exchanges and furthermore engages in in-house supervisory operations pertaining to timely disclosure.

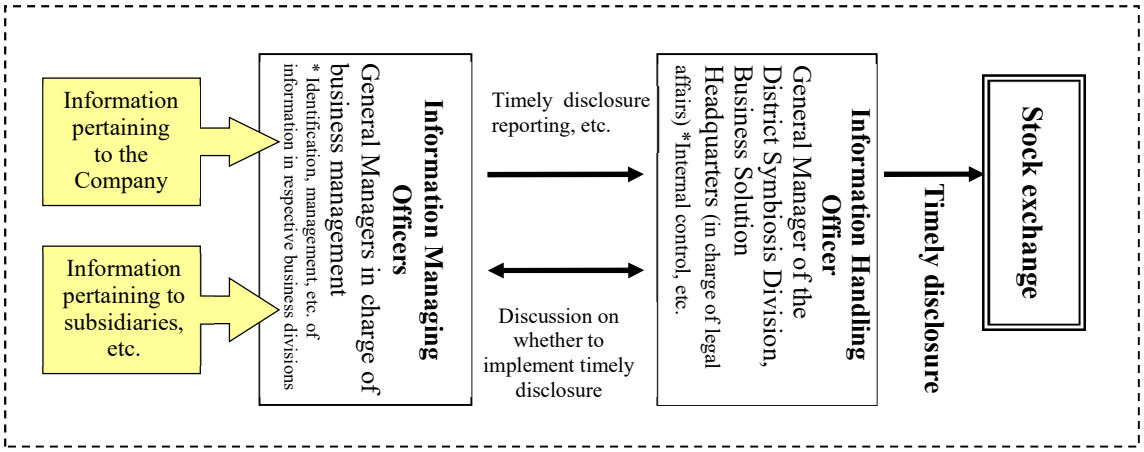
(Information management)
Respective General Managers in charge of business management are appointed and assigned to serve as Information Managing Officers to ensure that corporate information is appropriately managed. When an Information Managing Officer identifies corporate information warranting timely disclosure, he or she is to promptly report the situation to the Information Handling Officer. All timely disclosure information is to be collected by the General Manager of the District Symbiosis Division, Business Solution Headquarters (in charge of legal affairs), who serves as Information Handling Officer.

(Disclosure of information subject to timely disclosure)
Upon taking receipt of a report of corporate information from an Information Managing Officer, the Information Handling Officer is to determine whether or not such information is subject to timely disclosure. If the information warrants timely disclosure, the Information Handling Officer is to promptly disclose it to stock exchanges.
The Internal Audit Office serves as an internal auditing body that checks the status of execution previously mentioned and strives to appropriately perform the information disclosure.

[Corporate Governance Structure (conceptual diagram)]



[System for Disclosure of Corporate Information]


Stock exchange
Timely disclosure
Information Handling Officer
General Manager of the District Symbiosis Division, Business Solution Headquarters (in charge of legal affairs) *Internal control, etc.
Timely disclosure reporting, etc.
Discussion on whether to implement timely disclosure
Information Managing Officers
General Managers in charge of business management
* Identification, management, etc. of information in respective business divisions
Information pertaining to the Company
Information pertaining to subsidiaries, etc.